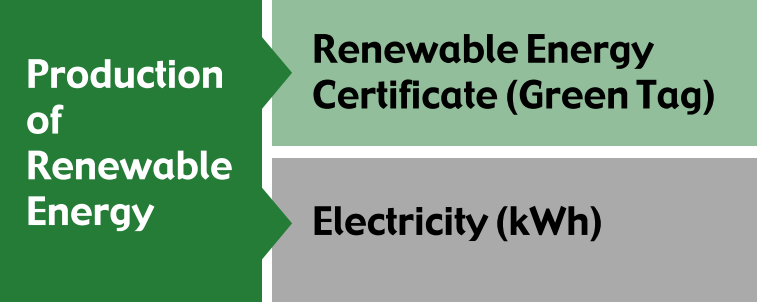


renewable power delivery is restricted because of either physical or institutional barriers, this renewable resource product may be the best option.



- PRODUCT BENEFITS:**
- No transmission or ancillary services required
 - No impact on your existing power supplier
 - Existing Western customers could combine REC payments with payment for Western hydroelectric power

Sample Purchases

Recent renewable resource transactions by Western

- Western purchased renewable power from American Electric Power on behalf of Edwards Air Force Base in California. Contract term: Five years. Price: \$78.50 per MWh.
- In 2002, Western purchased RECs from Basin Electric Power Cooperative on behalf of Ellsworth (South Dakota) and Warren (Wyoming) Air Force bases. Cost: \$25 per MWh. Contract term: Five years.

How do I sign up?

- Federal agencies interested in renewable power will sign commitment letters with Western detailing:
 - the type of product desired
 - the quantity to be purchased
 - the desired price range
 - the desired time frame
- After sufficient commitment letters have been signed, Western will issue a renewable energy Request for Proposal.
- After review and careful consideration of the proposals, Western will sign a contract with the acceptable renewable provider and with each of the Federal agency site(s).

For more information, contact:

Mike Cowan
Western Area Power Administration
cowan@wapa.gov
720/962-7245



Chandra Shah
National Renewable Energy Laboratory
chandra_shah@nrel.gov
303/384-7557



David McAndrew
Federal Energy Management Program
David.McAndrew@ee.doe.gov
202/586-7722

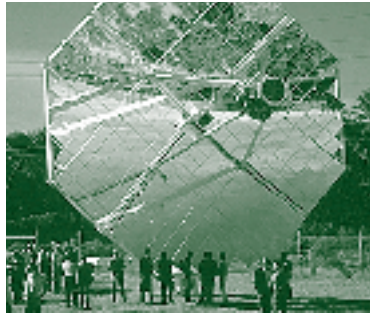


Western, in cooperation with the Department of Energy's Federal Energy Management Program, is making more renewable power options available to Federal agencies.

RENEWABLE RESOURCES



FOR
FEDERAL
AGENCIES



Power *from renewable resources offers many benefits. Federal agencies can take advantage of these benefits by using renewable resources for some or all of their electricity needs through a program offered by Western Area Power Administration geared just for Federal agencies.*

Why purchase renewable power?

- Achieve environmental benefits such as decreased air pollution from fossil fuel-fired powerplants
- Increase national security by lessening our dependence on imported energy and diversifying our electrical energy generation
- Manage your exposure to rising or volatile energy prices
- Support local economic development by creating local jobs and generating local tax revenue
- Comply with administration goals for Federal agencies to increase use of renewable energy to 2.5 percent by 2005
- Comply with E.O. 13123 goals to reduce greenhouse gas emissions 30 percent by 2010 and to reduce energy use 30 percent by 2005*

Federal agencies that purchase renewable power may also be eligible to join the Environmental Protection Agency's Green Power Partnership, a voluntary program designed to reduce the environmental impact of electricity generation by promoting renewable energy. (See EPA's GPP Web site at <http://www.epa.gov/greenpower/> for details).

*Only conventional energy use, not renewable energy use, is counted on the annual Energy Scorecard



How can Western help you meet your goals?

Western is a Federal power marketing administration that sells hydroelectric power in 15 states in the central and western United States. For more information, see our Web site at <http://www.wapa.gov>. With power marketing authority and the authority of the Economy Act, Western can provide this service to Federal agencies. Western is a non-profit agency and provides renewable resource services based solely on the cost of these services. Renewable resource products provided by Western cannot be resold. Western offers two renewable resource products for Federal agencies—renewable energy and renewable energy certificates.

Renewable Energy

In most cases, Western can buy and deliver renewable energy for Federal agencies within Western's 15-state service territory. For agencies that are wholesale electric service customers, this resource will be physically delivered for use by the agencies. Agencies that are within the distribution system of another utility will need to get the cooperation of that utility before arrangements can be made to deliver renewable energy from Western.

Western firm power customers may be able to have a portion or all of this energy delivered through the transmission capacity available within their Western power contract. Agencies that are not firm power customers, or firm power customers that purchase renewable energy in excess of their contract limits, will need to make transmission arrangements.

The costs for renewable energy deliveries includes renewable power generation, transmission (if needed), related ancillary services, distribution (if needed) and program administration. Agencies currently purchasing Network Transmission Service on Western's system may not have to pay additional transmission costs, depending on the amount of service being provided and the location of the facilities.

Western expects that the renewable power generation and program administration costs will be fixed for the term of the contract. However, future transmission, ancillary service and distribution costs may vary, if and when rate actions are implemented by the entities providing those services.

Each Federal agency site may face different capabilities, constraints and costs with their renewable resource purchase. To get a more detailed and site-specific understanding of this opportunity to purchase renewable resources, interested Federal agencies are encouraged to contact Western. (See list of contacts on the back of this brochure).

PRODUCT BENEFITS:

- Provides electricity cost stability
- Offers protection from the potential price volatility of conventional power generation
- Features billing simplicity for existing firm power customers
- For firm power customers staying within existing contracted transmission limits:
 - No need for your agency to negotiate additional transmission
 - Little likelihood of opposition by existing power suppliers

Renewable Energy Certificates

Renewable energy certificates represent the environmental attributes of power generated from renewable electric plants. No energy is physically delivered to the Federal site with this renewable resource option—only the environmental attributes of renewable generation are purchased. This option does not require transmission or distribution. For sites where